



The
Urban Renewal Agency
of the
City of Madras
Annual Budget
2012-2013

**Madras Redevelopment Commission
Annual Budget
2012-2013**

Budget Committee

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Gus Burrell

Budget Officer

Kathy Snyder

Finance Director

Nicholas Snead

Community Development Director



MADRAS REDEVELOPMENT COMMISSION

71 SE D Street Madras Oregon 97741
Phone: 541-475-3388 Fax: 541-475-3959

SUBJECT: Budget Message for the Madras Urban Renewal District for the FY 2012-13 Budget.

AUTHOR: City Administrator Gus Burrell, Budget Officer

This budget was developed in a manner that is consistent with the plans and policies established by the Madras Redevelopment Commission (MRC). The FY 2012-13 combined MRC General Fund and Reinvestment Fund budget is \$682,354. With this proposed FY 2012-13 budget, the MRC will: make its second of five annual construction and operation incentive payments for the movie theater, make the first annual bond principal and interest payment, make its first contribution to the Madras Police Station/City Hall, start a Paint Grant program, and have the ability to use limited funds, on a discretionary basis, for economic development and public facility and infrastructure.

MRC GENERAL FUND

Fund Balances: The FY 2012-13 General Fund beginning fund balance is anticipated to be \$221,721, which is down by \$47,159 from FY 2011-12.

Revenue: There are two revenue sources for the MRC: 1) property taxes; and 2) loan payments. Property tax revenue is the largest source of revenue for the MRC and is projected to be \$386,940 (including \$7,500 in "Prior Year Property Taxes"). This fiscal year will mark the third consecutive year where property tax revenue will decline as a result of continued unfavorable economic conditions. It is important to note that the recent development that has occurred within the Urban Renewal District has mitigated the decline in property tax revenue to the extent that it is projected there will be \$40,550 more than FY 2011-12. The FY 2012-13 budget utilizes the tax increment revenue (property tax) projection furnished by the Jefferson County Assessor.

General Fund Current Property Tax Revenue:

FY 2012-13 = \$ 379,440
FY 2011-12 = \$ 338,892
FY 2010-11 = \$ 350,000
FY 2009-10 = \$ 305,402
FY 2008-09 = \$ 247,931
FY 2007-08 = \$ 225,631
FY 2006-07 = \$ 194,712
FY 2005-06 = \$ 220,452
FY 2004-05 = \$ 159,485

Expenditures: The MRC has made three financial commitments: 1) the annual bond principal and interest payments of approximately \$180,000; 2) a \$75,000 contribution towards the City's Police Station/City Hall; and 3) the \$100,000 annual payment to the movie theater. The proposed FY 2012-13 budget allows the MRC to fulfill these financial commitments.

Materials and Services:

In FY 2012-13 \$58,300 is proposed to be appropriated for materials and services. This includes \$50,000 for Contract Services which funds City staff for their service to the MRC. This represents an increase of \$8,000 from FY 2011-12. It is important to note that the amount paid for Contract Services has not been increased since FY 2003-04 yet the Personnel Services costs for the City's Community Development fund has increased since FY 2003-04 by more than \$8,000.

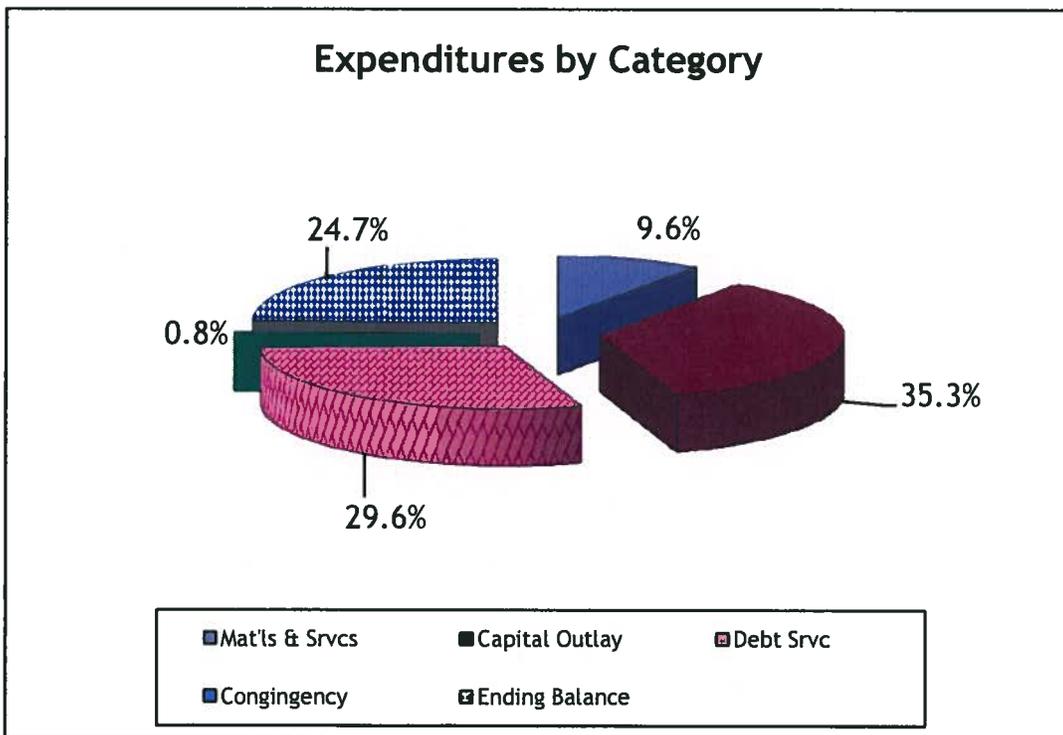
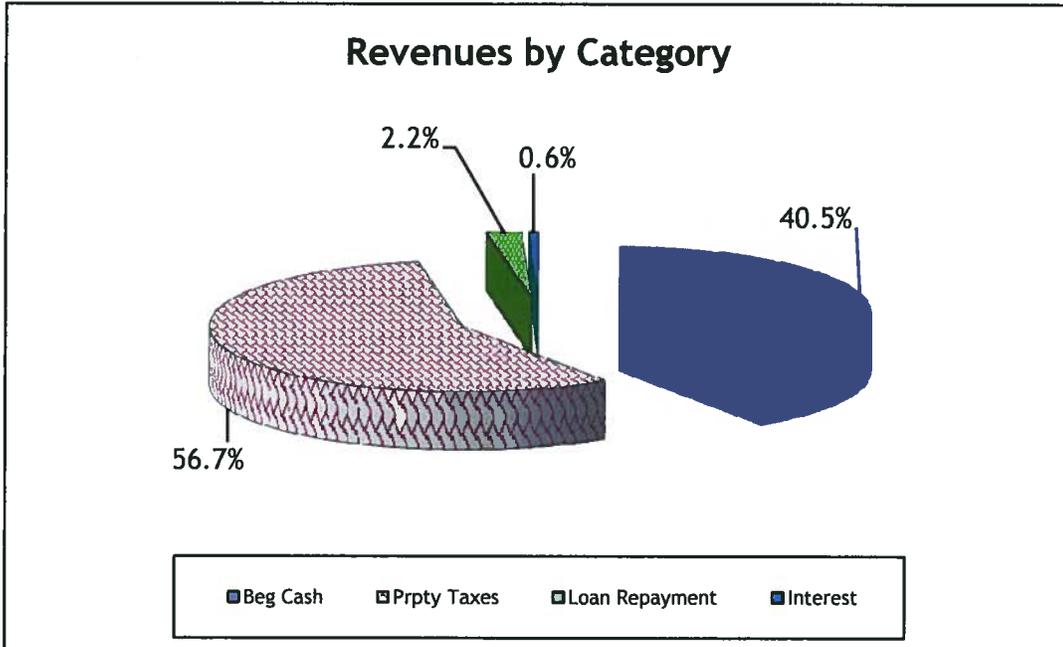
Capital Outlay:

There is a total of \$ 215,000 in Capital Outlay expense proposed in the FY 2012-13 budget. The largest Capital Outlay expense is Public Facilities, which totals \$175,000. The Public Facilities Capital Outlay expenses are composed of \$100,000 payment for the movie theater and a \$75,000 payment for the Police Station/City Hall. The proposed Capital Outlay expenses also include \$15,000 for a Paint Grant program, \$10,000 for economic development, and \$15,000 for streetscape planter boxes and flowers.

Debt Service:

The FY 2012-13 budget includes approximately \$180,000 for the annual bond principal and interest payments. This is the first year of twenty annual payments that will be made for a 20 year period to retire the debt issued by the City of Madras on behalf of the MRC. Because the City of Madras has issued the bond debt on behalf of the MRC with its full faith and credit, there is no obligation to maintain a debt service reserve for the annual Bond Principal and Interest payments. As such, it is important to note that funding the annual Bond Principal and Interest payments are the highest priority for the MRC currently and for the future until the debt is retired in full.

The Urban Renewal Agency of the City of Madras Annual Budget 2012-2013



**The Urban Renewal Agency
of the City of Madras
Annual Budget
2012-2013**

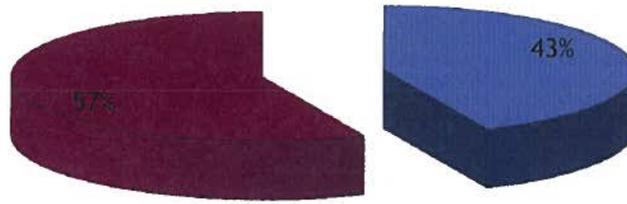
**RESOURCES AND REQUIREMENTS
PERCENTAGE FIGURES**

Resources	Amount	Percentages
Resources Excluding Taxes	295,414	
Less Interfund Transfers	<u>0</u>	
	295,414	43.29%
Taxes Available for Appropriation	379,440	55.61%
Allowance for discounts and delinquencies	<u>7,500</u>	<u>1.10%</u>
Total Taxes Levied	<u>386,940</u>	
Totals	<u><u>682,354</u></u>	<u><u>100.00%</u></u>

Requirement by Fund	Amount	Percentages
MRC - General Fund	608,861	89.23%
MRC - Reimbursement Fund	73,493	10.77%
Less Interfund Transfers	0	0.00%
Total	<u><u>682,354</u></u>	<u><u>100.00%</u></u>

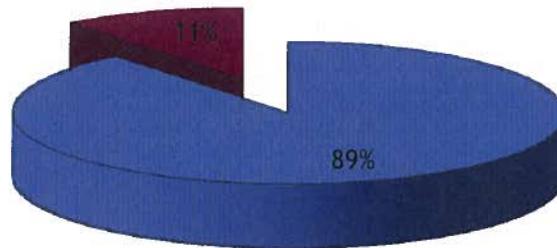
The Urban Renewal Agency of the City of Madras Annual Budget 2012-2013

Resources by Type



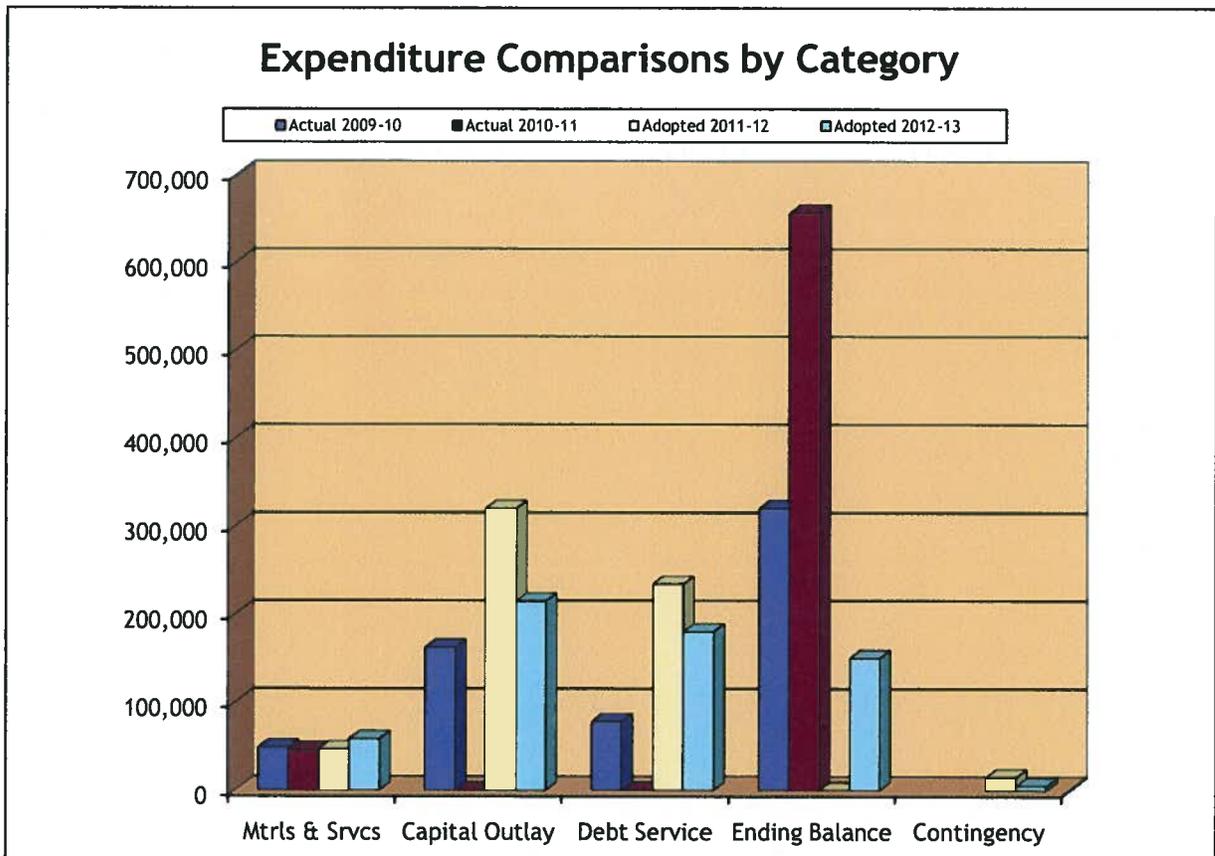
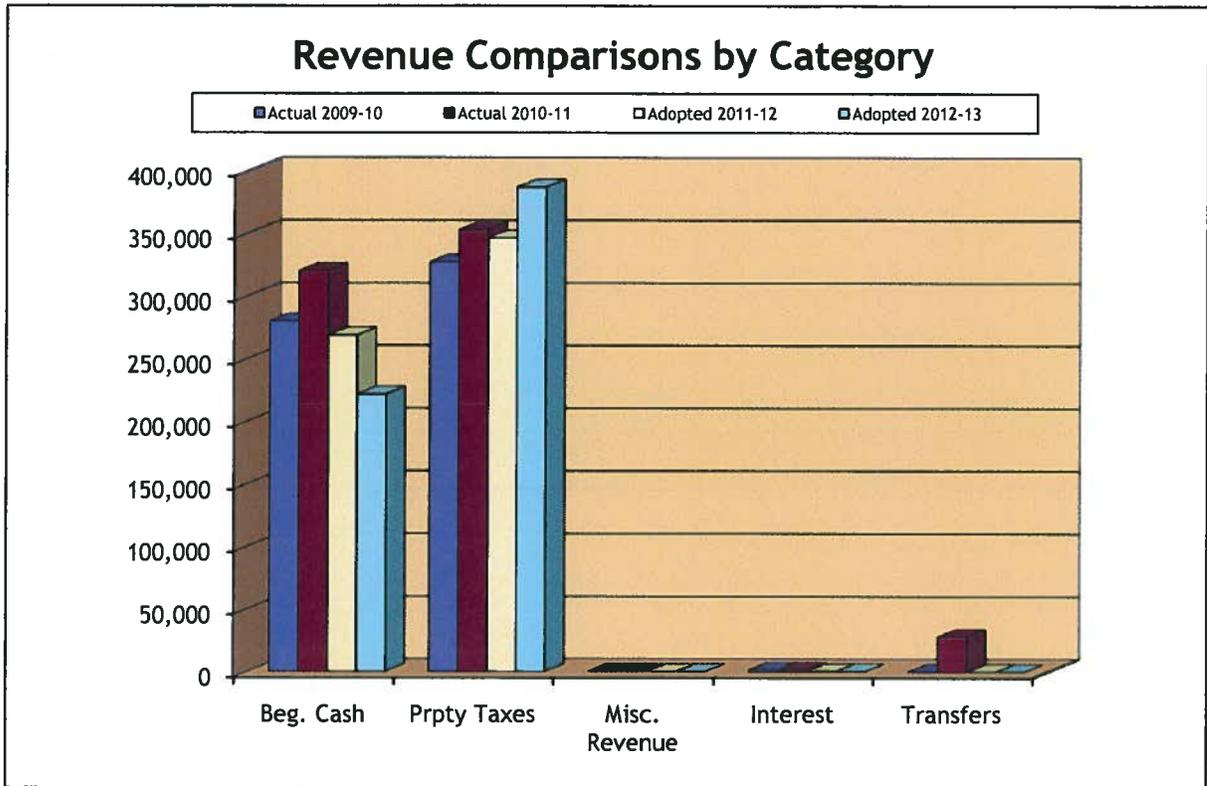
■ Resources Excluding Taxes ■ Total Taxes Levied

Expenditures by Fund



■ MRC - General Fund ■ MRC - Reimbursement Fund

**The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document
MRC - General Fund**



The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document

MRC - General Fund
Revenues

<u>Historical Data</u>		<u>Adopted</u>		<u>2012-13 Budget</u>			
2009-10	2010-11	2011-12	Line Item	Description	Proposed	Approved	Adopted
701-701							
Available Cash on Hand							
279,949	320,018	268,880	301-0101	Available Cash on Hand	221,721	221,721	221,721
279,949	320,018	268,880		Total Available Cash on Hand	221,721	221,721	221,721
Property Taxes							
314,849	334,235	338,890	310-1101	Current Property Taxes	379,440	379,440	379,440
12,289	18,386	7,500	310-1201	Prior Property Taxes	7,500	7,500	7,500
327,138	352,621	346,390		Total Property Taxes	386,940	386,940	386,940
Shared Revenues							
0	0	0	340-4109	Grants	0	0	0
0	0	0	340-4114	Bond Proceeds	0	0	0
0	0	0		Total Shared Revenues	0	0	0
Charges for Services							
0	0	0	350-5401	Miscellaneous Revenue	0	0	0
0	0	0		Total Charges for Services	0	0	0
Use of Money & Property							
1,565	1,468	500	380-8101	Interest on Investments	200	200	200
1,565	1,468	500		Total Use of Money & Property	200	200	200
Interfund Transfers							
0	28,000	0	390-9512	MRC - Reinvestment Fund	0	0	0
0	28,000	0		Total Interfund Transfers	0	0	0
608,651	702,108	615,770		Total Revenues	608,861	608,861	608,861

The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document

MRC - General Fund
Expenditures

<u>Historical Data</u>		<u>Adopted</u>	<u>Line Item</u>	<u>Description</u>	<u>2012-13 Budget</u>		
2009-10	2010-11	2011-12			Proposed	Approved	Adopted
701-701							
Materials & Services							
2,650	2,665	2,000	520-1003	Audit	3,000	3,000	3,000
41,808	42,000	42,000	520-1221	Contract Services	50,000	50,000	50,000
337	519	550	520-1301	Dues / Membership	600	600	600
1,107	0	500	520-1511	Facility Maintenance	600	600	600
1,136	368	1,000	520-2102	Legal Fees	1,500	1,500	1,500
0	0	0	520-2203	Meetings, Travel & Schools	2,000	2,000	2,000
0	0	0	520-2206	Bank Service Fees	0	0	0
1,177	0	500	520-2401	Office Supplies	600	600	600
192	0	0	520-2503	Professional Services	0	0	0
48,406	45,552	546,550		Total Materials & Services	58,300	58,300	58,300
Capital Outlay							
0	0	0	540-5102	Blight Removal	0	0	0
57,245	0	75,000	540-5103	Building Improvement	15,000	15,000	15,000
0	0	0	540-5104	Economic Development	10,000	10,000	10,000
105,000	0	205,000	540-5105	Public Facilities	175,000	175,000	175,000
0	0	40,000	540-5106	Streets and Infrastructure	15,000	15,000	15,000
162,245	0	320,000		Total Capital Outlay	215,000	215,000	215,000
Debt Service							
0	0	0	570-7311	Line of Credit - Principal	0	0	0
77,983	0	80,000	570-7312	Line of Credit - Interest	0	0	0
0	0	0	570-7416	Bond - Principal	0	0	0
0	0	154,220	570-7417	Bond - Interest	0	0	0
0	0	0	570-7418	Series 2012B Bond Principal-City of Madras	100,000	100,000	100,000
0	0	0	570-7419	Series 2012B Bond Interest-City of Madras	80,310	80,310	80,310
77,983	0	234,220		Total Debt Service	180,310	180,310	180,310
Contingency							
0	0	15,000	590-1010	Contingency	5,000	5,000	5,000
0	0	15,000		Total Contingency	5,000	5,000	5,000

The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document

MRC - General Fund
Expenditures

<u>Historical Data</u>		<u>Adopted</u>	Line Item	Description	<u>2012-13 Budget</u>		
2009-10	2010-11	2011-12			Proposed	Approved	Adopted
701-701							
Ending Balance							
320,018	656,555	0	595-1010	Ending Balance	150,251	150,251	150,251
320,018	656,555	0		Total Ending Balance	150,251	150,251	150,251
608,651	702,108	615,770		Total Expenditures	608,861	608,861	608,861
608,651	702,108	615,770		Total MRC - General Revenues	608,861	608,861	608,861
608,651	702,108	615,770		Total MRC - General Expenses	608,861	608,861	608,861

**City of Madras
Amortization Schedule
2012-13**

Madras Redevelopment Commission

**Full Faith and Credit
LOCAP - Series 2012B
Bank of New York Mellon**

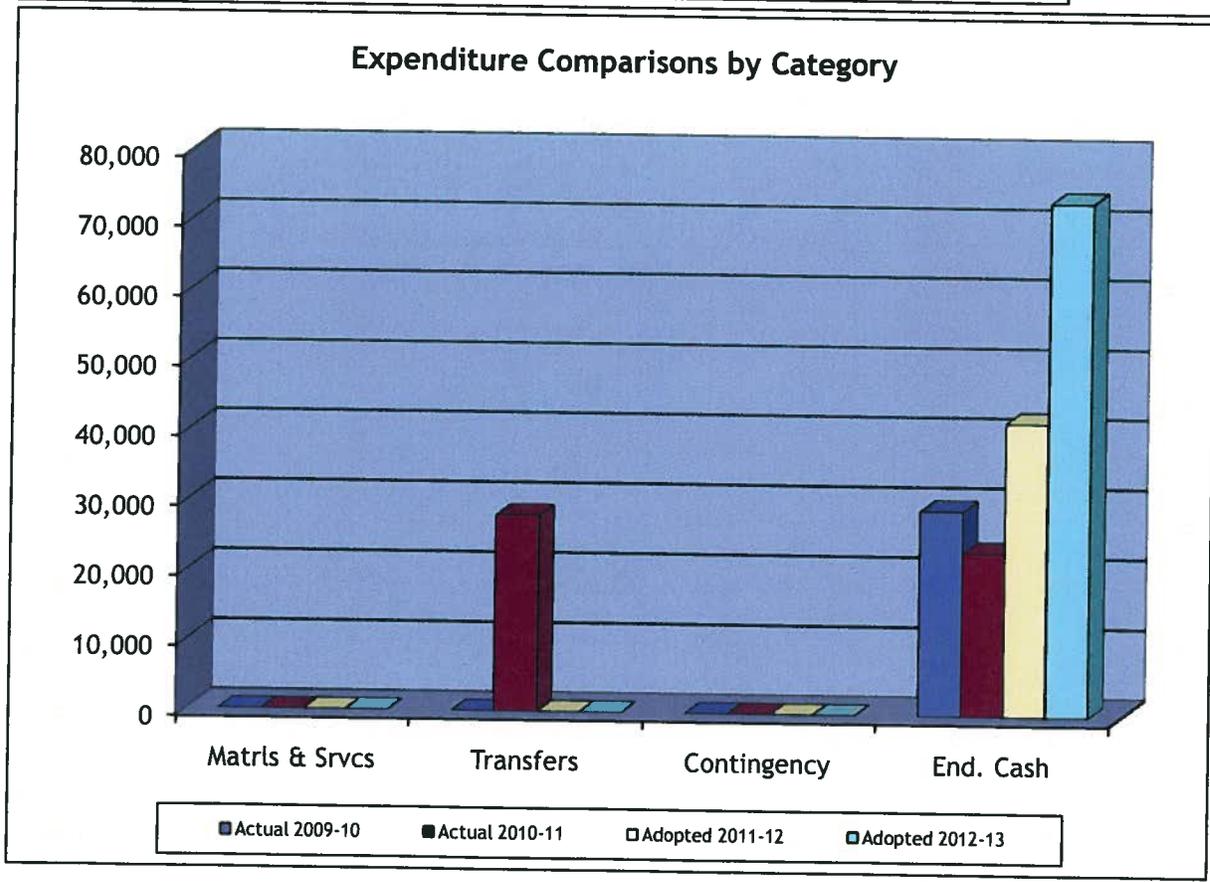
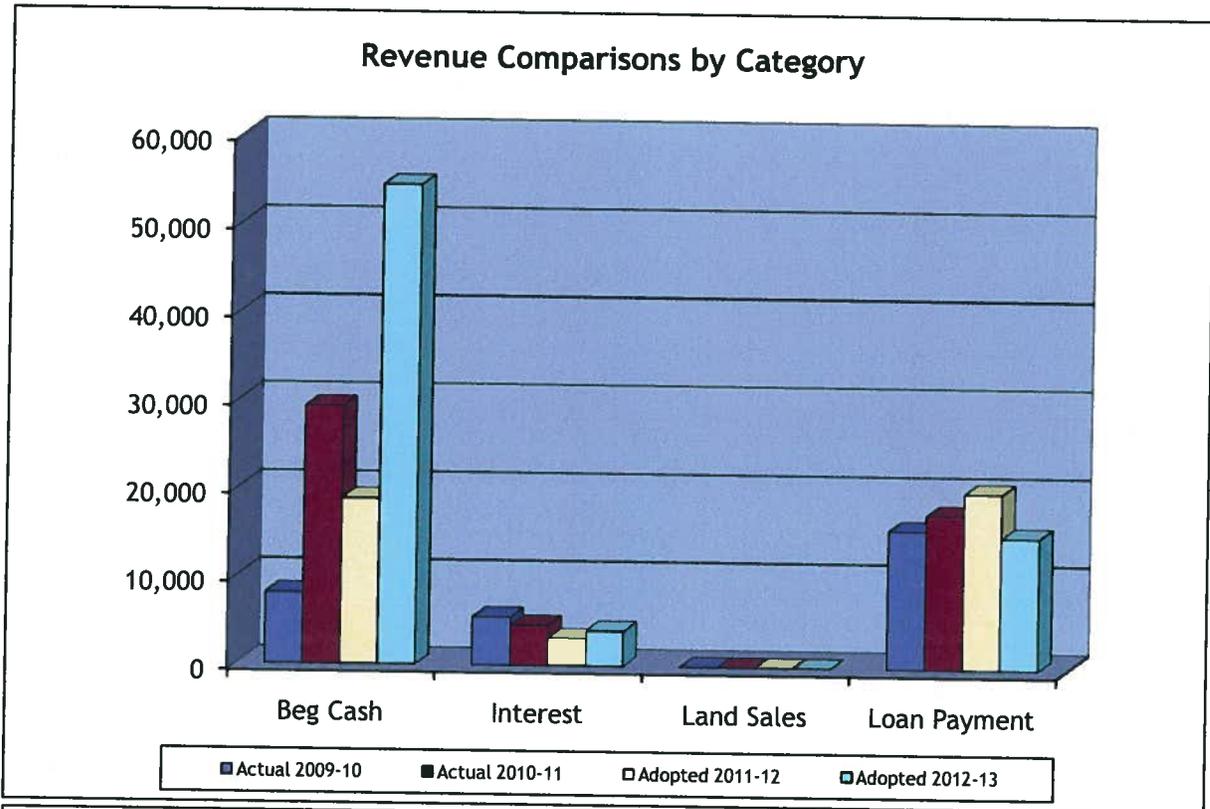
Loan Amount	2,590,000
Issue Date	5/15/2012
Maturity Date	6/1/2032
Term	20 years
Interest Rate	3.40%

Year	Payment	Interest	Principal	Balance
Balance July 1, 2012				2,590,000
2012-2013	180,310	80,310	100,000	2,490,000
2013-2014	181,263	76,263	105,000	2,385,000
2014-2015	180,402	75,402	105,000	2,280,000
2015-2016	179,163	74,163	105,000	2,175,000
2016-2017	182,756	72,756	110,000	2,065,000
2017-2018	181,007	71,007	110,000	1,955,000
2018-2019	183,851	68,851	115,000	1,840,000
2019-2020	181,229	66,229	115,000	1,725,000
2020-2021	183,239	63,239	120,000	1,605,000
2021-2022	179,795	59,795	120,000	1,485,000
2022-2023	181,147	56,147	125,000	1,360,000
2023-2024	181,659	51,659	130,000	1,230,000
2024-2025	181,992	46,992	135,000	1,095,000
2025-2026	182,146	42,146	140,000	955,000
2026-2027	182,120	37,120	145,000	810,000
2027-2028	181,914	31,914	150,000	660,000
2028-2029	181,004	26,004	155,000	505,000
2029-2030	179,897	19,897	160,000	345,000
2030-2031	183,593	13,593	170,000	175,000
2031-2032	181,889	6,889	175,000	0

The Urban Renewal Agency of the City of Madras

2012-2013 Budget Document

MRC - Reinvestment Fund



The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document

MRC - Reinvestment Fund
Revenues

<u>Historical Data</u>		<u>Adopted</u>	Line Item	Description	<u>2012-13 Budget</u>		
2009-10	2010-11	2011-12			Proposed	Approved	Adopted
702-702							
Available Cash on Hand							
8,087	29,261	18,825	301-0101	Available Cash on Hand	54,493	54,493	54,493
8,087	29,261	18,825		Total Available Cash on Hand	54,493	54,493	54,493
Charges for Services							
0	0	0	350-5401	Miscellaneous Revenue	0	0	0
0	0	0		Total Charges for Services	0	0	0
Use of Money & Property							
5,464	4,539	3,100	380-8101	Interest on Investments	4,000	4,000	4,000
0	0	0	380-8501	Land Sales	0	0	0
15,711	17,507	20,000	380-8507	Loan Repayment	15,000	15,000	15,000
21,175	22,046	23,100		Total Use of Money & Property	19,000	19,000	19,000
29,261	51,307	41,925		Total Revenues	73,493	73,493	73,493

The Urban Renewal Agency of the City of Madras
2012-2013 Budget Document

MRC - Reinvestment Fund
Expenditures

<u>Historical Data</u>		<u>Adopted</u>	Line Item	Description	<u>2012-13 Budget</u>		
2009-10	2010-11	2011-12			Proposed	Approved	Adopted
702-702							
Materials & Services							
0:	0:	0:	520-2503	Professional Services	0:	0:	0:
0:	0:	0:		Total Materials & Services	0:	0:	0:
Interfund Transfers							
0:	28,000:	0:	550-1015	MRC - General Fund	0:	0:	0:
0:	28,000:	0:		Total Interfund Transfers	0:	0:	0:
Contingency							
0:	0:	0:	590-1010	Contingency	0:	0:	0:
0:	0:	0:		Total Contingency	0:	0:	0:
Ending Balance							
29,261:	23,307:	41,925:	595-1010	Ending Balance	73,493:	73,493:	73,493:
29,261:	23,307:	41,925:		Total Ending Balance	73,493:	73,493:	73,493:
29,261:	51,307:	41,925:		Total Expenditures	73,493:	73,493:	73,493:
29,261:	51,307:	41,925:		Total Reinvestment Revenues	73,493:	73,493:	73,493:
29,261:	51,307:	41,925:		Total Reinvestment Expenses	73,493:	73,493:	73,493:

The Urban Renewal Agency of the City of Madras

2012-2013 Budget Document

<u>Historical Data</u>		<u>Adopted</u>	Line Item	Description	<u>2012-13 Budget</u>		
2009-10	2010-11	2011-12			Proposed	Approved	Adopted
637,912:	753,415:	657,695:		Grand Total Revenues	682,354:	682,354:	682,354:
637,912:	753,415:	657,695:		Grand Total Expenditures	682,354:	682,354:	682,354:

RESOLUTION NO. MRC 2012-05

A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND PROVIDING FOR THE DECLARATION OF TAX INCREMENT FOR FISCAL YEAR 2012-2013.

ADOPTING THE BUDGET

BE IT RESOLVED that the Board of Commissioners of the City of Madras Urban Renewal District hereby adopts the budget for fiscal year 2012-2013 in the total of \$682,354 now on file at the Madras City Hall.

MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2012 and for the purposes shown below are hereby appropriated:

MRC – General Fund

Materials & Services	\$ 58,300
Capital Outlay	215,000
Debt Service	180,310
Contingencies	5,000
Ending Balance	150,251
Total General Fund	<u>\$ 608,861</u>

MRC – Reinvestment Fund

Ending Balance	\$ 73,493
Total Reimbursement Fund	<u>\$ 73,493</u>
Total Appropriations	<u>\$ 682,354</u>

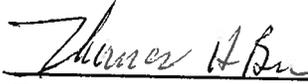
DECLARATION OF TAX INCREMENT

BE IT RESOLVED that the Board of Commissioners of the City of Madras Urban Renewal District hereby resolves to certify to the county assessor a request for the Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX of the Oregon Constitution and ORS Chapter 457.

This resolution shall become effective on July 1, 2012.

ADOPTED by the Madras Redevelopment Commission of the City of Madras and signed by the Chairman this 19 of June, 2012.

Ayes: 6
Nays: 0
Abstentions: _____
Absent: 2
Vacancies: 1


Tom Brown, Chairman

ATTEST:


Tammy McHaney, Comm. Dev. Services Supervisor

NOTICE OF BUDGET HEARING

A meeting of the Madras Redevelopment Commission will be held on June 19, 2012 at 5:30 p.m. in the City of Madras Council Chambers. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2012 as approved by the Madras Redevelopment Commission Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Madras City Hall located at 71 S.E. "D" Street, Madras Oregon 97741 between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday beginning Wednesday, May 13, 2012. This budget was prepared on a basis of accounting that is consistent with the basis used during the preceeding year. Major changes, if any, and their effect on the budget are explained below. This budget is for an annual period.

County: Jefferson	City: Madras	Chairperson of governing body: Gus Burrell - City Administrator	E-Mail: gburrell@ci.madras.or.us	Telephone No. 541-475-2344
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FINANCIAL SUMMARY - RESOURCES

Total of All Funds	Actual Amounts For Year 2010-2011	Adopted Budget This Year 2011-2012	Approved Budget Next Year 2012-2013
1. Beginning Fund Balance/Net Working Capital	349,279	287,705	276,214
2. Federal, State & All Other Grants	0	0	0
3. Revenue from Bonds & Other Debt	0	0	0
4. Interfund Transfers	28,000	0	0
5. All Other Resources Except Division of Tax & Special Levy	23,514	23,600	19,200
6. Revenue from Division of Tax	352,621	346,390	386,940
7. Revenue from Special Levy			
8. Total Resources - add lines 1 through 7	753,415	657,695	682,354

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

9. Personal Services	0	0	0
10. Material & Services	45,552	46,550	58,300
11. Capital Outlay	0	320,000	215,000
12. Debt Service	0	234,220	180,310
13. Interfund Transfers	28,000	0	0
14. Contingencies	0	15,000	5,000
15. All Other Expenditures and Requirements	0	0	0
16. Unappropriated Ending Fund Balance	679,862	41,925	223,744
17. Total Tax Requirements - add lines 9 through 16	753,415	657,695	682,354

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM*

Name of Organizational Unit of Program			
FTE for Unit or Program			
Name NONE	0	0	0
FTE NONE	0	0	0
Total Requirements	0	0	0
Total FTE	0	0	0

STATEMENT OF INDEBTEDNESS

Long Term Debt	Estimated Debt Outstanding on July 1	Estimated Debt Authorized, but not Incurred on July 1
General Obligation Bonds	0	0
Other Bonds	0	0
Other Borrowings	2,590,000	0
Total	2,590,000	0

